

Using Teacher Compensation to Support Differentiated Teacher Roles and Responsibilities

Executive Summary

Kentucky's teacher compensation system, as have those in other states, has come under scrutiny in recent years with the introduction of possible alternatives to the single-salary schedule. In an effort to reach consensus on ways to improve Kentucky's system, a group began meeting in January 2007 to discuss options. Group participants included representatives of the Prichard Committee for Academic Excellence, the Kentucky Education Professional Standards Board, the Kentucky Association of School Superintendents, the Kentucky Chamber of Commerce, the Kentucky Department of Education, the Kentucky Education Association, the Kentucky Education Cabinet, and the Kentucky School Boards Association.

The group's discussions focused on ways to better use teacher compensation to improve teacher quality by recognizing differentiated teacher roles and responsibilities. Proposals resulting from the discussion are a mixture of state-level initiatives and innovations that would need further development and implementation at the district level. Group members recognize that the proposals should be widely discussed by stakeholders and may require modification.

The proposals and their provisions focus on four sets of differentiated roles and responsibilities that the group believes should be supported by changes in the compensation system:

1. School-level teacher leaders
 - A definition of teacher leader roles
 - State funding for salary add-ons and a longer work year for teacher leaders
 - District flexibility in selecting teacher leaders
 - State-established performance criteria or approval of district-designed criteria for teacher leaders
2. High-quality teachers working with high-need schools and students
 - Development and funding of a program of teacher pay incentives and requirements that schools improve teaching and learning conditions
 - District-designed criteria that meets basic state-established criteria required to receive state funding; criteria would include a commitment to improving working conditions, coupling pay incentives with other strategies to improve performance, quality of program design, and commitment to evaluation
3. Highly qualified teachers in subject shortage areas
 - Department of Education identifies shortage areas
 - Teacher incentives that include reimbursement for cost of coursework and other training to achieve certification in shortage area and salary supplement conditional on teachers' participation in approved professional development programs
4. Teachers with high levels of instructional expertise
 - Restructuring the traditional salary schedule to limit the use of university credits for pay increases to those relevant to teachers' area of employment; to build on the Continuing Education Option to increase the number of professional development programs that would count toward salary increases; to recognize increased levels of expertise specifically related to instruction

- Advancement through the new system would result in substantial pay increases in the range of 7-10 percent or \$4,000-\$5,000
- Current teachers would be "grandfathered" in to the new system

Recognizing that teachers build expertise in other ways beyond formal professional development, the group considered proposing the development of a statewide performance assessment system. However, due to the time and resources that would require, the group chose instead to recommend that the Take One process of the National Board for Professional Teaching Standards be used as the basis for assessing and rewarding instructional expertise.

The group also found that three broader issues have an impact on attracting, retaining, and motivating quality teachers. Those issues, and the group's recommendations, include:

1. Working conditions, including principal support, student discipline, and teacher influence on school-level decision making
 - A continuing survey of teachers' perceptions of working conditions
 - Regular state tracking of teacher turnover
 - Principal accountability for working conditions
2. Teacher evaluation model
 - Development of a statewide teacher evaluation model as a first step toward a system that strategically develops the potential of Kentucky educators
3. Attracting and retaining more of the state's "best and brightest" to teaching
 - Change the pay structure to increase pay faster
 - Marketing strategies to attract more experienced professionals to teaching

The group also strongly advocated an evaluation system to assess the effect of each phase of the recommended changes. This evaluation would gauge implementation, stakeholder reaction, trend in outcomes such as teacher retention and student achievement, "unintended consequences," and program costs.

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Introduction

Kentucky's teacher compensation system has come under scrutiny in recent years with the introduction of possible alternatives to the single-salary schedule. These suggestions have included those calling for an approach, sometimes labeled as differentiated pay, that provides varied compensation levels based on such factors as subjects taught, student performance, and expanded teacher training and responsibilities.

Such developments are becoming more common across the country in response to a growing consensus that teacher pay systems need to be changed, according to national accounts. The challenge lies in finding a better way to compensate educators, a situation reflected in the comments of a policymaker in Denver, site of a performance-based pay plan, to *Education Week*: "We're in that period of time after the old paradigm has gone and before the new paradigm has finally evolved."

In an effort to reach consensus on recommendations to improve Kentucky's teacher compensation system, a group representing various education interests began meeting in January 2007 to discuss options and alternatives.

Those participating in the group, which was convened by the Prichard Committee for Academic Excellence, included representatives of the:

- Education Professional Standards Board
- Kentucky Association of School Superintendents
- Kentucky Chamber of Commerce
- Kentucky Department of Education
- Kentucky Education Association
- Kentucky Education Cabinet
- Kentucky School Boards Association

The group was assisted in its work by Dr. Anthony Milanowski, a researcher with the Consortium for Policy Research in Education at the University of Wisconsin-Madison and the author of this report.

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The group believes that Kentucky's compensation system should be changed to support initiatives to improve teacher quality by recognizing differentiated teacher roles and responsibilities. The group's discussions focused on ways to better use teacher compensation to enhance and support this movement toward differentiation. The proposal presented here is both a vision for supporting differentiated roles and responsibilities and a set of concrete proposals that we believe would realize the vision.

We recognize that the specific proposals will need to be widely discussed by the many stakeholders in the education system and may need to be modified for reasons of cost, ability to be implemented, and acceptability. In particular, it is important that educators themselves be involved in planning this program at both the state and district levels. The specific proposals are a mixture of state-level initiatives and innovations that would need further development and implementation at the district level. While we have focused on compensation initiatives, we also realize that working conditions in our schools and districts are important in attracting, retaining, and motivating quality teachers. We address this later in the proposal.

The proposal focuses on four sets of differentiated teacher roles and responsibilities that the group believes should be supported by changes in the educator compensation system:

1. School-level teacher leaders such as new teacher mentors, instructional coaches, and subject lead teachers
2. High-quality teachers working with high-need schools and students
3. Highly qualified teachers in shortage subjects
4. Teachers with high levels of instructional expertise

Specific proposals are made to address each area. Again, the specifics are a point of departure for further discussion by all the stakeholders in Kentucky's education system. The group recognizes the need to involve educators in designing the details and implementing the procedures of any compensation innovations and the need to balance the roles of the state and local districts.

In addition to the specific proposals, the group endorses six basic guiding principles for the design of any teacher pay innovation.

1. **Sustainability.** The state must be able to maintain its financial and technical support for teacher compensation innovations over the long run. Not only do unsustained programs waste money and effort, but implementing, and then discontinuing, innovations reduces the credibility of future pay change proposals.
2. **Input and buy-in from those affected.** Teachers and administrators need to be involved in the design of innovations. Not only are changes made with their input likely to be accepted more readily, those involved have important insights to offer about how specific proposals are likely to work.
3. **Balancing local flexibility and statewide uniformity.** The group had many discussions about state and district roles in designing and implementing compensation innovations. We agreed that while the state needs to set the basic framework and provide resources that would be costly for districts to duplicate (e.g., teacher assessment models, student testing), there should be local options to accomplish the state's goals for compensation innovation. Also, districts should not have to discontinue successful local initiatives.
4. **Teacher compensation initiatives to support differentiated roles and responsibilities should not be implemented and funded at the expense of maintaining a competitive base salary for teachers.**
5. **Teacher compensation changes need to be systematically evaluated.** Not only is evaluation important to ensure that the additional resources Kentucky invests result in educational improvements, it will also help to improve program design and operation. Evaluation should focus both on the quality of implementation and on whether programs are actually addressing the problems they were designed to address.

6. Administrator compensation should also be examined and modernized, since differentiation of teacher roles and responsibilities also affects administrator roles. In addition, pay innovations for teachers are likely to be better accepted and implemented if school administrators are included in the change.

Focus 1: School-level Teacher Leaders

There is growing recognition around the country that enhancing teachers' instructional capacity requires long-term, job-embedded, on-site professional development. Teacher leaders are often key players in this type of professional development, functioning in a variety of roles such as new teacher mentors, peer reviewers, instructional coaches, on-site professional development facilitators, and math or science lead teachers. The use of teacher leaders should also be considered in the Department of Education's intervention plans for schools in need of assistance. To support the use of qualified and motivated teacher leaders in Kentucky schools, the state should define a set of teacher leader roles and provide financial support for districts choosing to implement these roles.

Our specific proposal to attract and retain high quality teacher leaders in each school would include the following provisions:

1. Definition of a standard set of teacher leader roles developed by a committee that includes representatives of the Education Cabinet, the Education Professional Standards Board, the Kentucky Department of Education, and affected education constituencies. The committee would develop a job description for each leader role and would work with the Standards Board to identify the qualifications for each. For example, only those with Teacher Leader endorsements might be eligible to be selected for teacher leader roles. Based on the qualifications developed, the committee would establish a model selection process for teacher leader roles to be used by districts.
2. State funding for salary add-ons and a longer work year for teachers filling established teacher leader roles. The add-on amounts should be in the \$2,500-\$3,500 range, and there could be two levels to recognize different responsibilities or the complexity of different leader roles. Leaders would also be funded to work a longer year (a minimum of five days and a maximum of 10 days, depending on the role). These additional days would be used to create professional development opportunities for other teachers, curriculum development, professional development of the leaders themselves, and/or analyzing student assessment results, depending on the leader role.

3. District flexibility in selecting the teacher leader role that would add the most value to each school. Funding for the add-on and the extra days would be provided in proportion to the number of teachers in the district (e.g., one leader per 30 teachers), and districts could decide how to apportion leaders to schools and functions. Districts would have to agree, however, to provide the equivalent of at least one hour per day of release time to perform leader activities. The maximum release time would be one-half day, to ensure teacher leaders did not lose touch with the classroom. Release time would be funded by the district, to show the district's commitment to using teacher leaders.

4. The state would establish performance criteria for teacher leaders, or approve district-designed criteria. Districts would be required to evaluate leader performance annually. Leaders not meeting performance expectations would lose the add-on. Otherwise, the add-on would be paid as long as a teacher filled the role.

Focus 2: High Quality Teachers Working with High Need Schools and Students

Consistent with current research identifying teachers as the most important school-level influence on student learning, we believe that Kentucky needs to do more to encourage the most skilled teachers to work in the schools and with the students that need them most in order to foster equity and close gaps in student achievement. This includes low-achieving, high-poverty schools as well as students who have the most difficulty learning in higher-performing, better-off schools. High-need schools have substantial proportions of students likely to be at risk of academic failure. Not only are these schools most in need of good teachers, but the schools are more often perceived as having more difficult working conditions and the students are perceived as being more difficult to teach, making it harder to attract the best teachers.

Research and the limited experience with programs for attracting teachers to such schools and students suggest that both financial incentives and improvements in working and learning conditions are needed for success. Therefore, the group proposes that Kentucky develop and fund a program of pay incentives for teachers willing to work with high-need students and schools that includes a requirement that such schools improve teaching and learning conditions and couple the incentive with a systematic strategy to improve student achievement.

There are many ways to define a high-need school. The group recommends defining high need in terms of high student poverty and low academic achievement. Four scenarios that show how high need might be defined are described in the Appendix.

To maintain the balance between local flexibility and state uniformity, the group proposes that districts design specific incentives that, to receive state funding, must meet basic design criteria set by the state. Districts with schools meeting the definition of high need would apply for funding, and the Department of Education would evaluate and approve district proposals based on how well the proposals met the four criteria described below.

The first criterion would be the district's commitment to assessing and improving teacher working conditions. The preponderance of research suggests that financial incentives alone will not attract and retain enough high quality teachers to substantially improve achievement in high-need schools. Thus a successful program must ensure that poor working conditions are not offsetting the attraction of the pay incentive. Working conditions that are important to teachers include principal leadership, adequacy of materials and resources, planning time, non-teaching

duties, and influence over school policies. Schools would have to commit to an assessment of working conditions and a plan to improve deficiencies.

The second criterion would be willingness to couple the pay incentive with other strategies to improve performance. It is important to recognize that attracting quality teachers alone will not turn around struggling schools. Quality leaders, adequate curriculum materials and resources, and appropriate staff development are also needed. Districts would also have to show how the incentive fits into a coherent program of improvement for the high-need schools. Where appropriate, districts would have to be willing to undertake a scholastic audit and act on the results.

The third criterion would be quality of program design. The history of teacher compensation initiatives suggests that a poorly designed program is more likely to engender teachers' skepticism than to improve educational equity. Districts would have to show that their proposed incentive program included:

- specific, objective criteria defining which schools would be eligible. These could include the same factors discussed above for state funding.
- specific criteria for determining which teachers would be eligible for the incentives. These should include selection criteria that would assure that high-quality teachers are being attracted and retained.
- meaningful incentive amounts. Any financial incentives proposed should be large enough to provide at least a 10 percent increase in a teacher's salary.
- input from those affected in the design process.
- professional development aimed at improving instruction.

The fourth criterion would be the districts' willingness to evaluate the success of the incentive program. While several districts and states have begun programs of incentives for teaching in high-need schools, there is currently little evidence of their success. A systematic evaluation of the program is essential to ensure that the program is having the intended effect. Districts must therefore commit to working with researchers to assess program impact measures, including teacher reactions, changes in vacancy and turnover rates, improvements in indicators of teacher quality, and impacts on student achievement.

The above criteria would be further specified by the Department of Education, which would also set up a process for districts to request funding under this program. Districts would develop proposals identifying the high need schools for which incentives would be provided and submit funding requests.

Care must be taken in designing this program for attracting the most skilled teachers to the highest need students and schools not to structure a disincentive for high performance. Any financial incentives and efforts to improve working and learning conditions should continue when these schools and students reach their learning goals. At a minimum, incentives should continue for a number of years after goals are reached, both to provide continuing impetus for improvement and to assure stability of improvement.

Focus 3: Highly Qualified Teachers in Subject Shortage Areas

Like most states, Kentucky has experienced periodic shortages of qualified teachers in some areas, including science, technology, mathematics, and special education. Although Kentucky has done relatively well in ensuring that most subjects are taught by 'highly qualified' teachers (as required by the Federal No Child Left Behind act), it is likely that districts have a difficult time finding qualified teachers in some subject areas and are forced to rely on teachers with less subject-matter expertise than is desirable. To improve the short-term supply of teachers to these subject areas, incentives should be used to encourage good teachers who are not certified in the shortage areas to become certified and to improve the content knowledge and subject-specific pedagogy of those whose skills need updating.

In the short term, the state should concentrate on providing incentives that would both help increase retention and improve the supply of teachers in shortage areas. This will first require that the Department of Education identify shortage areas. Once a list of shortage areas is identified, two kinds of incentives should be funded.

1. Reimbursement for the cost of coursework or other training needed to achieve certification in a shortage area.
2. A salary supplement for teachers who are fully state certified and who are assigned to teach in a shortage area, conditional on their participation in approved summer professional development programs. These programs would be aimed at improving content knowledge and pedagogical content knowledge. Teachers would also be paid their daily rate for the days of participation. Teachers who participate one summer would receive \$1,000 the next school year. Teachers who participate in two consecutive summer programs would receive \$2,000 for the school year after participating in the second program. Teachers would receive the \$2,000 amount as long as they participate in each consecutive year and as long as they are assigned to teach in an identified shortage area. (To receive the full \$2,000, teachers would have had to have participated in the professional development program during both of the prior two years.)

In the long term, enlarging the supply of qualified teachers in some areas, such as science, technology, and math, will require major changes in compensation, working conditions, and teacher preparation. Since incentives alone will not bring people with science, technology, and math knowledge into the teaching force, the state should also examine barriers to entry of qualified college students into teaching and develop transition programs to encourage people with these skills to move into teaching.

Focus 4: Teachers with High Levels of Instructional Expertise

To respond to rising national and state expectations for student achievement, teachers need to continue to develop their instructional skills. The professional development that is likely to have the most impact on instructional expertise is coherent, sustained, linked with teachers' daily practice, and focused on core problems of teaching and learning. Unfortunately, professional development is often unfocused and, under the current salary schedule, teachers are rewarded for accumulating unrelated and marginally relevant college credits rather than for building a solid body of expertise. While the current salary schedule attempts to provide incentives for skill development in the form of base pay increases (lane changes) for attaining degrees and college credits, there is no research that supports the notion that simply piling up more degrees and credits improves instructional expertise or student achievement. To encourage the development of instructional expertise and support the development of teacher leaders, we propose first a restructuring of the "lanes" of the traditional salary schedule, and, second, to encourage alternative ways to build and demonstrate instructional expertise (for example, using the National Board for Professional Teaching Standards Take One process). These proposals are aimed not only at increasing the incentive for all teachers to develop expertise, but also to recognize the likelihood that teachers who have additional levels of instructional expertise will become informal practice leaders in their own schools, serving as resources for others in their subject area or grade level who want to improve their own expertise.

Revising Criteria for Lane Movement

- The use of university credits for lane movement would be limited to those relevant to a teachers' current area(s) of employment.
- Building on the model of the EPSB's Continuing Education Option (CEO) to increase the number of options for high quality, coherent programs of professional development that would count toward movement between lanes. For example, advanced CEO-like options should be developed around specific bodies of expertise, such as the content pedagogy relevant to a specific subject, content knowledge in science or technology, or new teacher mentoring. "Refresher" versions of these options could also be developed to provide focused programs for teachers to use to help maintain expertise and keep up with current developments in content and pedagogy.
- Districts would be required to implement a four-lane structure to recognize increasing levels of expertise specifically related to instruction. The lanes beyond the bachelor's level would be based on completing coherent programs of professional development rather than simply the number of credits. Completion of these programs would replace the accumulation of unrelated college credits as the basis for movement between lanes. Thus lanes would no longer be defined in terms of, for example, a bachelor's degree plus 15 credits or a master's degree plus 30 credits. Rather, they would be defined as a bachelor's plus completion of specific programs and a master's plus completion of specific programs approved by the EPSB.
- Districts would provide, and the state fund, a substantial pay increase for each of the four basic lane changes, in the range of 7-10 percent or \$4,000-\$5,000.
- The rank and pay levels would not change for current teachers, whose status would be "grandfathered" in under this system.

The goal of these changes is to improve the effectiveness of the current salary structure in encouraging teachers to choose professional development activities that actually develop relevant professional expertise.

Other Methods of Building and Demonstrating Expertise

Because teachers build expertise in other ways besides formal professional development, it makes sense to reward the outcomes of the process as shown by the quality of instruction the teacher provides. One way to do this would be to reward teachers for undergoing periodic performance assessments. These assessments typically use a combination of classroom videos, live observations, and artifacts that document quality teaching as defined by the state or district as it occurs in the teacher's actual classroom.

The group considered developing a statewide performance assessment system for Kentucky teachers but concluded that this would require a large commitment of time and resources. Instead, the group decided to recommend that the Take One process of the National Board for Professional Teaching Standards be used as the basis for assessing and rewarding instructional expertise. The Take One process involves teachers preparing and submitting a video portfolio illustrating their performance. Teachers submit portfolios relevant to one of the board's 24 areas of certification. The advantage of using this process is that the National Board has already developed the methods and infrastructure to administer the assessment and score the evidence of teacher classroom performance. Having the state pay the application cost or negotiating a special application rate with the National Board should also be pursued.

Our proposal to use Take One as the basis for rewarding instructional expertise would:

a) rely on teachers voluntarily applying to the National Board for assessment and preparing the appropriate portfolio; b) provide a salary add-on of 4-6 percent for four years after the assessment to teachers whose portfolio received a score of 3 or 4 from the board; c) allow only teachers with two or more years of experience and who are not on a corrective action plan to be eligible for the salary add-on. (Although the National Board allows teachers with less experience to participate in Take One, we recommend that first year teachers not be encouraged to do so in order that they may focus their attention on existing induction activities.)

Another advantage to using the Take One program is that teachers can use their scores from that assessment for later assessment for full National Board certification. This proposal thus encourages teachers to participate in the National Board certification process.

The group also discussed using value-added measures of the achievement of individual teachers' students as a basis for differentiating teacher pay. We concluded that the current level of value-added technology is not yet sufficiently developed to allow reliable differentiation for the majority of teachers.

While current approaches can differentiate the very best from the poorest performers, reliable distinctions among teachers in between are hard to make. Further, Kentucky's assessment system would have to be modified and expanded to more subjects and grades in order to use value-added to differentiate pay for more than a minority of teachers, since many teach in grades and subjects that are not tested. However, we do believe that value-added methods are

worthy of continued study and development, and we recommend that the Department of Education, the Education Professional Standards Board, and university researchers cooperate in continued study of how value-added could be used in Kentucky.

Additional Issues

In our deliberations about compensation changes that would support differentiated teacher roles and responsibilities, we found that three broader issues also surfaced: teacher working conditions, a statewide teacher evaluation model, and the overall attractiveness of teaching as a career for Kentucky's young people. Based on our discussions, we are making recommendations in these areas, which also will support the preceding recommendations.

Teacher Working Conditions

The group recognizes that working conditions, as well as pay, are important in encouraging teacher leaders, attracting high quality teachers to high-need schools, and supporting the development of instructional expertise. Several recent studies suggest that working conditions are important to attracting and retaining new and experienced teachers. Among the working conditions identified by researchers as important in retaining new teachers are principal support, student discipline, and teacher influence on school-level decision making. The group recommends that a number of actions be taken to address teacher working conditions.

First, the state should establish a mechanism that includes educator input to examine teacher working conditions. A continuing survey of teachers' perceptions of working conditions could be supplemented with periodically bringing together some of the state's best teachers (e.g., National Board Certified teachers, state and district teachers of the year, teachers receiving the instructional performance incentives described above) to help define what working conditions are most important to retain the best teachers. The state could also regularly track teacher turnover, especially of teachers in their early years, by district and school. These steps could be used to identify schools or districts that are perceived to have good working conditions and which are attracting and retaining teachers. The reasons these schools or districts succeed could be studied and a model developed for other districts.

Because principals have an important influence on working conditions, the state should also explore ways to hold principals accountable for efforts to improve or preserve favorable conditions. Principal compensation systems could incorporate measures of school climate and new teacher retention as outcomes for which principals are rewarded. Since working conditions experienced by principals influence the attraction, retention, and motivation of principals, ways to hold districts accountable for those conditions should also be considered.

Statewide Teacher Evaluation Model

Ultimately, if Kentucky wants to effectively promote educator quality, it needs a strategic perspective that includes not only compensation but the whole system of preparing, selecting, developing, and evaluating teachers. Since current research suggests that an effective teacher is the most important influence on student achievement that is in the control of the education system, it would seem vital to design all of the state's teacher policies to focus on the teacher competencies (knowledge and skills) that contribute to improved student achievement. Once

these competencies are defined, they would provide a template for aligning the content of the diverse state and district programs and practices aimed at improving instruction. As a first step toward developing a system that strategically develops the potential of Kentucky's educators, we recommend the development of a statewide teacher evaluation model.

Several states, including Iowa, Texas, and North Carolina, use statewide models to try to ensure that district teacher evaluation processes are both fair and rigorous. As in most states, Kentucky districts vary in the quality of their teacher evaluation processes. A statewide teacher evaluation model, along with training and support for its implementation, would be a powerful force for improving the evaluation process in many districts.

The starting point for a statewide model is a detailed vision of educator quality, a vision of what Kentucky's educators need to know and be able to do in order to prepare all our children for competing in the 21st century. Reviewing and elaborating on the current Kentucky teacher standards would be a first step toward developing a competency model that would make this vision concrete. The competencies should include not only the general pedagogical skills that all teachers need but also the content knowledge and content-specific pedagogy that teachers of specific subjects must have. This is the approach taken by the National Board for Professional Teaching Standards, which identifies five core competencies and specific standards in each of more than 30 certification areas. The competencies should also draw on an assessment of the skills teachers need to teach to the Kentucky student standards. The competency model would also define several specific performance levels that represent the continuum of teacher quality from the novice to the expert teacher. These would serve as the foundation for assessing teacher performance using the statewide model.

The teacher evaluation model would be useful far beyond simply evaluating teachers. As a concrete expression of the continuum of teacher quality, it could be used to guide district efforts in teacher selection, induction, and mentoring. At the state level, the model could be used in the Kentucky Teacher Internship Program (KTIP), which would help teachers develop the competencies on which they would later be evaluated. It would also be the foundation for assessing professional development needs and for structuring professional development offerings, again at the district, university, and state levels. This would provide experienced teachers with a model of expert practice, an assessment of their current expertise, and a set of aligned professional development opportunities they could choose from to build toward the highest level of expertise. The model would also be useful to improve the alignment of teacher preparation programs and district induction and professional development efforts. By specifying what newly prepared teachers need to know and be able to do, it would help to ensure that teaching education programs focus on preparing their graduates to exhibit the beginning level of the competencies.

Attracting and Retaining More of the "Best and Brightest" of Kentucky's Young People to Teaching

Ultimately, the performance of the education system in Kentucky depends on the quality of the teachers it attracts and retains. Critics of the U.S. education system have pointed out that instead of recruiting from students in the top tier of academic ability, public education often settles for the middle group, or lower. Whatever the reasons for this, the effects are likely to be negative because a decentralized, highly complex endeavor such as public education needs many bright, energetic people throughout the system. And since most people enter the system through teaching, Kentucky, like the rest of the U.S., should consider ways to make a career in teaching more attractive to its most able young people. We recommend beginning in two areas.

a) Change the Pay Structure to Increase Pay Faster

In most professions, new workers are rewarded for their performance as well as for developing their expertise, and those who perform and develop see relatively large pay increases in their first several years. These increases for performance and development help to attract and retain those new workers who have the potential to be most valuable to the organization. The traditional teacher pay schedule in Kentucky, as in most other states, does not provide recognition for performance, and the long progression of small pay increases does not reflect the learning curve of new professionals.

The pay increases provided for experience in the first years are small. But then everyone, regardless of performance, continues to get experience-based pay increases long after an additional year of experience by itself stops contributing to growth in expertise. Thus the retention effects of early pay increases are minimal, and a new teacher has to wait 10 to 20 years to achieve a professional salary level. Since current research suggests that, beyond five-to-seven years, additional teacher experience is not associated with better student achievement, it would make sense to limit the number of years of experience for which pay increases are given. But it also makes sense to provide big enough increases in the early years, when experience helps build expertise fast, to enable bright, motivated young people to reach a professional salary level in five-to-seven years. This would be coupled with systems for differentiating pay for teachers reaching the end of the experience-based pay progression.

To continue the movement toward a more professional pay system that our earlier recommendations envision, the state and local school districts should be encouraged to implement pay schedules that:

- Limit the number of steps for experience to seven and increases the size of each step. The larger steps would move new teachers to a professional salary more quickly, thus encouraging retention in the critical early years. Teachers should see an increase of 5 to 7 percent per year in the first five years.
- Make pay increases provided after seven steps dependent on differentiation of roles and responsibilities. Districts can and should work with teachers to develop differentiated pay approaches that work for their circumstances. These approaches could be applied only to newly hired teachers, to avoid changing the rules of the game on those in the middle or near the end of their careers. Since no one differentiated pay approach has yet proved to be best, the state should provide financial incentives for districts to

experiment, such as the federal government has done through its Teacher Incentive Fund grants.

Across the U.S., an increasing number of new teachers are not recent graduates from traditional teacher training programs but seek a teaching career after significant post-bachelor's degree experience in other occupations. Non-traditional strategies are often successful in preparing these career changers for the profession. Kentucky offers seven alternative preparation routes to teaching, specifically designed for those who already have a bachelor's degree and work experience. In addition to these preparation routes, the state should consider marketing strategies to attract more experienced professionals to teaching. Preparation programs must maintain rigorous screening of applicants as well as a highly focused preparation program to assure that the quality of teachers the Commonwealth needs is produced while assuring that teachers prepared through this route have the skills necessary to remain in the profession.

Evaluation

Kentucky citizens and teachers deserve to know whether the proposed compensation changes, and any experiments encouraged by state incentives, are making a difference. To produce this knowledge, the compensation changes described above should be accompanied by a requirement for a comprehensive evaluation, including an assessment of multiple outcomes.

Since the proposal calls for a phased-in implementation, there will be an opportunity to assess the initial effects of each phase. For each, the following evaluation questions should be addressed:

1. Has the program been properly implemented?
2. What have been the reactions of staff and other stakeholders?
3. What is the trend in outcome measures (e.g., teacher retention, student achievement)?
4. Has the program had "unintended consequences"?
5. What are the actual additional program costs?

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